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PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993

Revised estimates under income section 3

Report of the Secretary-General

Addendum

INTRODUCTION

1. By its decision 46/452 of 20 December 1991, entitled, "Revised estimates under income section 3", the General Assembly, "on the recommendation of the Fifth Committee, decided to defer action on the proposed renovation of the General Assembly First Basement Concourse until a later stage".

2. It will be recalled that, as indicated in the related report of the Secretary-General on the subject (A/C.5/46/79), this renovation project had been proposed for implementation in two phases. The first phase, the cost of which was estimated at $3.1 million, was to begin in the spring of 1992 and would have included the reconfiguration of most of the Lobby, the Bookshop, the Gift Centre and the Postal Area. It was to be financed from an unanticipated increase ($6,244,200) in projected net revenues under income section 3 for the biennium 1990-1991, as reported in the final performance report for that biennium. The second phase, the cost of which was estimated at $2,433,000, was to be initiated at a later stage in 1992-1993, and would have included the remaining portion of the Concourse, the new stairs, the Check Room and the Coffee Shop. Taking into account a projected increase ($3,400,000) in net revenue under income section 3 as a result, inter alia, of the renovation project, it had been proposed to include under income section 3 of the proposed programme budget for the biennium 1992-1993 an additional expenditure of $2,433,000, representing the cost of the second phase.

3. As indicated in the Secretary-General's report to the Advisory Committee on Administrative and Budgetary Questions on the budget performance in respect of the financial period 1990-1991, the final accounts for the 1990-1991 biennium show that instead of the $13,139,200 estimated in the final performance report as net income under income section 3 (before applying the $3,100,000 provision for the Concourse renovation project), the actual net income is now estimated at $10,167,800, that is, a shortfall of $2,971,400. Altogether, the concurrence of the Advisory Committee has now been requested to commit a net amount of $11,971,200 over and above the net appropriations approved for the biennium 1990-1991 in accordance with paragraph 2 of General Assembly resolution 46/184 C of 20 December 1991. Subject to the Committee's concurrence, a request for an additional appropriation in that amount will be submitted to the General Assembly at its current session. Under these circumstances, it is proposed that the financing of the entire project (the cost of which was estimated at $5,500,000), on which the General Assembly decided to defer action last fall under the terms of decision 46/452, should be reviewed again in the context of the performance reports for the 1992-1993 programme budget or the proposed programme budget for the biennium 1994-1995.

4. It is difficult at this stage to measure the impact of the proposed postponement of the renovation project on the 1992-1993 estimated net revenue under income section 3 (for which the General Assembly approved an estimate of $6,842,500 by resolution 46/186 B of 20 December 1991). For that reason, no revised estimates of net income under income section 3 of the 1992-1993 programme budget are submitted at this time. Variances between actual and estimated income will be reported to the General Assembly in the context of the first and second performance reports in due course.